

JUDGE DANIELS DC # 1 08 CV 4886

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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

----- x
VIRAGE CONSULTING LTD.,

Plaintiff(s),

Civ. No.

COMPLAINT

-against-

FIRST CAPITAL INTERNATIONAL, INC. and ALEX
GENIN,

Defendant(s).
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Plaintiff, Virage Consulting Ltd ("Virage"), by its attorneys Sesti & Perchekly LLP, as and
for its Complaint, alleges as follows:

NATURE OF THE ACTION

1. Virage brings this action against the defendants for breach of contract and attorneys fees.

JURISDICTION AND VENUE

2. This court has jurisdiction under 28 U.S.C. § 1332 because the matter in controversy exceeds the sum or value of \$75,000 and is between citizens of different states.

3. At all times hereinafter mentioned, plaintiff, Virage, was and still is a domestic corporation duly organized and existing under and by virtue of the laws of the State of New York, and upon

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information and belief, defendant, First Capital International, Inc. ("FCI") is a registered corporation in the State of Delaware and maintains its headquarters in the State of Texas.

4. Pursuant to 28 U.S.C. § 1391(a), venue lies in the Southern District of New York because a substantial part of the events giving rise to the claims occurred within the State of New York.

PARTIES

5. At all times hereinafter mentioned, plaintiff, Virage, was and still is a domestic corporation duly organized and existing under and by virtue of the laws of the State of New York and maintains an office at 420 Lexington Avenue, Suite 300, New York, New York 10117.

6. Upon information and belief, defendant, FCI is a registered corporation in the State of Delaware and maintains its headquarters in the State of Texas at 5120 Woodway Dr. Suite 9000, Houston, Texas 77056.

7. Upon information and belief, Alex Genin, is the President and Chief Executive Officer of FCI and resides in the State of Texas.

LEGAL CLAIMS

AS AND FOR A FIRST CAUSE OF ACTION: BREACH OF CONTRACT

8. Virage repeats and realleges the allegations contained in paragraphs "1" through "7" of this complaint as if fully set forth at length herein.

9. On or about, January through March 2006, Virage extended a loan to FCI in the amount of Five Hundred Thousand Dollars (\$500,000.00).

10. The loan is evidenced by a Promissory Note, in the principal amount of Five Hundred Thousand Dollars (\$500,000.00). A copy of the Promissory Note is annexed hereto as Exhibit "A".

11. FCI's indebtedness to Virage is guaranteed by a Security Agreement executed by Alex Genin dated January 25, 2006, wherein Alex Genin grants "All interest in FCI as Prime Collateral and as Secondary Collateral an interest in his personal property". A copy of the Security Agreement is annexed herein as Exhibit "B".

12. Pursuant to the terms of the Promissory Note, the entire outstanding balance of Five Hundred Thousand Dollars (\$500,000.00) was due and payable in full on or before May 30, 2007.

13. On or about May 30, 2007, FCI defaulted and failed to make payment to Virage in satisfaction of all its obligations.

14. The principal amount outstanding to Virage is Five Hundred Thousand Dollars (\$500,000.00), plus interest in the amount of Fifty Thousand Dollars (\$50,000.00), up to and including May 30, 2008. Interest continues to accumulate at the rate of Ten Percent (10%) per annum.

15. The Security Agreement provides that Alex Genin grants all interest in FCI as Prime Collateral and as Secondary Collateral an interest in his personal property.

16. FCI has failed to pay the amounts due and owed to Virage, therefore, pursuant to the terms of the Security Agreement granted by Alex Genin, his personal property is collateral securing said loan.

AS AND FOR A SECOND CAUSE OF ACTION: BREACH OF CONTRACT BY ALEX GENIN

17. Virage repeats and realleges the allegations contained in paragraphs "8" through "16" of this complaint as if fully set forth at length herein.

18. Pursuant to Alex Genin's security Guarantee, he has an immediate and absolute obligation to pay Virage the amount of Five Hundred Thousand Dollars (\$500,000.00), plus interest in the amount of Fifty Thousand Dollars (\$50,000.00), up to and including May 30, 2008, which continues to accumulate at the rate of Ten Percent (10%) per annum, together with attorney's fees and other costs of collection.

AS AND FOR A THIRD CAUSE OF ACTION: ATTORNEYS FEES

19. Virage repeats and realleges the allegations contained in paragraphs "17" through "18" of this complaint as if fully set forth at length herein.

20. Pursuant to the terms of the Promissory Note, defendants are responsible to pay for all costs of collection including reasonable attorney's fees.

PRAYER FOR RELIEF

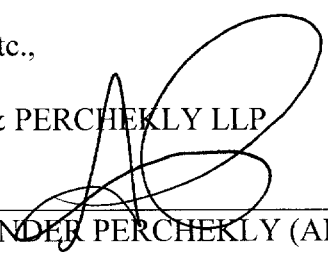
WHEREFORE, plaintiff, Virage, demands judgment against defendants, jointly and severally, as follows:

- (1) Accept jurisdiction over this action;
- (2) On the first cause of action for breach of contract, Order the Defendant, FCI to compensate the Plaintiff Five Hundred Thousand Dollars (\$500,000.00), plus interest in the amount of Fifty Thousand Dollars (\$50,000.00), interest continues to accumulate at the rate of Ten Percent (10%) per annum;
- (3) On the second cause of action for breach of contract, Order the Defendant, Alex Genin to compensate the Plaintiff Five Hundred Thousand Dollars (\$500,000.00), plus interest in the amount of Fifty Thousand Dollars (\$50,000.00), interest continues to accumulate at the rate of Ten Percent (10%) per annum;
- (4) On the third cause of action, for an amount to be determined at trial;
- (5) For all costs, disbursements, accrued interest, attorneys' fees, and for such other and further relief as the Court may deem just and proper.

Dated: New York, New York
May 19, 2008

Yours, etc.,

SESTI & PERCHEKLY LLP

By: 
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